



## Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact [support@jstor.org](mailto:support@jstor.org).

mannerisms, of which the incessant repetition of "whether or no" is one of the worst. The publishers, however, deserve a word of criticism for putting out so poorly printed a book; the frequent omission of letters in words being the worst fault to be noticed.

The critique has necessarily been general in character, the nature of the book compelling this. In conclusion, I do not hesitate to congratulate the author on his success; the intelligent business man and the public man on having so reliable and readable a guide; and American scholars on the noteworthy achievement of one of their number.

RICHARD T. ELY.

*University of Wisconsin.*

*The Science of Wealth.* By J. A. HOBSON. Home University Library, No. 11. (New York: Henry Holt and Company. 1912. Pp. viii, 256. \$.75.)

In this volume Mr. Hobson gives a concise account of the structure and functioning of the modern industrial system. The method and results of the author's earlier work, *The Industrial System*, are here repeated. In the first four chapters is presented a schematic view of the industrial system, designed especially to show the interdependence of industries and of productive functions. This is followed by an analysis of distribution in terms of "costs" or maintenance charges for labor, managing ability, capital and land; "productive surplus," or additional payments necessary to evoke quantitative increase or qualitative improvement in production; and "unproductive surplus," or rents, excessive profits, interest and wages, which ends in uneconomic or wasteful consumption. Chapters 7 and 8 deal with wages and profit in the concrete. The latter expresses the author's conviction that a large part—perhaps the major part—of the unproductive surplus takes the form of entrepreneur's profits. Chapters 9 and 10 give an elementary statement of the forces governing prices; chapter 11 treats of socialism and the labor movement, and lays the basis for the author's favorite doctrine that the unproductive surplus is the one appropriate and adequate source of public revenue. Graduated income taxes and inheritance taxes are proposed as the most feasible means of reaching the unproductive surplus. A state must, however, proceed cautiously in its plan of confiscating the surplus, since otherwise much capital would migrate to more friendly states.

In chapter 12 we find an unusually clear presentation of the case for free trade, in the guise of an analysis of the historical situation of a community established a century and a half ago in southern Ontario on both banks of a river destined later to become an international boundary line. The greatest freedom in the interchange of commodities and of labor and capital was to the advantage of every person dwelling on either side of the river, before the political boundary was erected; after that event the economic facts remained unchanged. It does not matter that Hobson's geography and history appear to be purely economic; his argument, obviously enough, holds good. The only question is whether such a community, practically homogeneous, typifies the international situation.

The book as a whole is remarkably well conceived and well executed. With the exception of the doctrine incidentally expressed on page 167, that free competition would reduce all prices to the level of cost (*i. e.*, maintenance charges for labor, ability, capital and land) the book is free from fundamental error. Mr. Hobson is here concerned with presenting his own system in the least possible space, and a very satisfactory system, on the whole, it appears to be. This is not his most profound and suggestive work, but it is his most logical one. It is designed as an introduction to economics for the general reader, and it is adapted to serve the purpose well.

ALVIN S. JOHNSON.

*Cornell University.*

*The Theory of Distribution and Consumption.* By T. LLOYD, (London: James Nisbet and Company, 1911. Pp. xiii, 508. 15s.)

This work, originally in greater part contributed to "The Statist," is not a treatise on any branch of economic theory; it has a general sociological purport solely. The term distribution scarcely occurs anywhere, except in the title, and is used as synonymous with consumption. Near the beginning (p. 18) we are told, "The real cause of greatness is the character of the people; and the main thesis of the present work will be an inquiry into the causes which produce the character that makes a people exceptionally prosperous and great." Such a loose-jointed concept of a "thesis" is an indication of the amazing encyclopedic performance that follows.